GOVERNMENT OF INDIA
POWER
LOK SABHA

UNSTARRED QUESTION NO:1192
ANSWERED ON:01.03.2001
EXTERNAL ASSISTANCE FOR RAYALSEEMA THERMAL POWER PROJECT-II
SULTAN SALAHUDDIN OWAISI

Will the Minister of POWER be pleased to state:

(a) whether the Union Government have received any request from Andhra Pradeshseeking permission for external commercial borrowings under the term of letter of intent for implementation of Rayalseema Thermal Power Project Stage-II to meet the cost ofthis project by cent percent credit package from the Chinese company;

(b) if so, the details thereof;

(c) if not, the reasons therefor; and

(d) the time by which a final decision is likely to be taken in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA)

(a) to (d) : Rayalseema Thermal Power Station, Stage-II (2x210 MW) is proposed tobe implemented by Andhra Pradesh Power Generation Corporation Ltd.(APGENCO), apublic sector undertaking under the administrative control of the Government of Andhra Pradesh. The letter of intent for award of EPC contract with 100% debt finance forRayalseema TPS, Stage-II has been issued by APGENCO to a Chinese firm, namelyZhajiang Machinery & Equipment Corporation, who had submitted the offer inconsortium with China national machinery & Equipment Corporation.APGENCOrequested PFC for Deferred Payment Guarantee (DPG) against, Foreign Currency Loan (FCL) arranged and extended as suppliers credit by the Chinese EPC contractor toAPGENCO for setting up 2x210 MW coal fired Rayalseema Thermal Power Plant,Stage-II (RTPP-II)PFC has sanctioned DPG assistance to cover the payments of foreign currency loan of US$ 261.79 million by APGENCO to Chinese creditors.The DPGsanctioned by PFC is yet to be executed and is awaiting fulfillment of terms & conditions of sanction.